

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

**ERICSSON INC., AND
TELEFONAKTIEBOLAGET LM ERICSSON,**

Plaintiffs,

v.

**TCL COMMUNICATION TECHNOLOGY
HOLDINGS, LTD., TCT MOBILE LIMITED,
AND TCT MOBILE (US), INC.,**

Defendants.

Civil Action No. 2:15-cv-00011-RSP

JURY TRIAL

**DECLARATION OF ROBERT MILLS IN SUPPORT OF
ERICSSON'S MOTION FOR RECOVERY OF PREJUDGMENT INTEREST**

I, Robert Mills, declare as follows:

1. I make this declaration in support of Plaintiffs Ericsson Inc.'s and Telefonaktiebolaget LM Ericsson's (collectively, "Ericsson") Motion for Recovery of Prejudgment Interest in the matter of *Ericsson, Inc., et al. v. TCL Communication Technology Holdings, LTD, et al.*, 2:15-cv-11-RSP. Unless otherwise noted, the statements made herein are based on my personal knowledge, and if called to testify in Court, I could and would testify competently and truthfully with regards to this matter.

2. During trial both Ericsson and TCL advocated for a lump sum damages award. The jury returned a verdict in Ericsson's favor, awarding Ericsson damages in the amount of \$75,000,000.00.¹ My opinion regarding prejudgment interest is based on the jury's verdict, as well as other assumptions explained below.

1. Dkt. 390.

3. It is my opinion that prejudgment interest for the period from April 1, 2010 (the date of the hypothetical negotiation between Ericsson and TCL) through today, assuming an interest rate of 11.4 percent and annual compounding, equals \$97,165,844. Under this approach, the amount of prejudgment interest plus damages awarded by the jury equals \$172,165,844. Prejudgment interest will continue to accrue at a rate of \$53,772 per day under this approach from December 13, 2017 through the date of judgment. Additional details concerning these calculations are set forth at Exhibit 1 to this declaration.

4. Alternatively, it is my opinion that prejudgment interest for the period from October 21, 2014 (the date that Ericsson provided notice of the asserted patent to TCL) through today, assuming an interest rate of 11.4 percent and annual compounding, equals \$30,283,158. Under this approach, the amount of prejudgment interest plus damages awarded by the jury equals \$105,283,158. Prejudgment interest will continue to accrue at a rate of \$32,883 per day under this approach from December 13, 2017 through the date of judgment. Additional details concerning these calculations are set forth at Exhibit 2 to this declaration.

5. I have used an interest rate of 11.4 percent for the prejudgment interest calculations provided herein to be consistent with the discount rate utilized at trial by both Ericsson and TCL. I relied on an 11.4 percent discount rate when calculating the present value of damages owed to Ericsson.² Under my approach, the payment date for the lump sum amount owed to Ericsson, and the date on which I calculated the present value, was October 21, 2014.³ Similarly, TCL's damages expert, Christopher Martinez, also relied on an 11.4 percent discount rate when calculating the present value of damages owed to Ericsson.⁴ Under Mr. Martinez's

2. Dkt. 343, Ex. 3, Supplemental Exhibit 18-C.

3. Dkt. 343, Ex. 3, Supplemental Exhibit 18-C.

4. Dkt. 326, Ex. 18, at 7 n. 20.

approach, the payment date for the lump sum amount owed to Ericsson, and the date on which he calculated the present value, was April 1, 2010.⁵

6. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and this declaration was executed on December 12, 2017, in Los Angeles, California.



Robert Mills

5. Dkt. 326, Ex. 18, at 7.